
DIGEST

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HB 37 Engrossed

2016 Regular Session

Jones

Abstract: Provides relative to membership of the Municipal Employees' Retirement System (MERS) board of trustees and the rights and duties of the board. Limits the use of system funds for board expenses.

Present law provides that MERS is governed by an 11-member board of trustees.

Present law provides that the board is composed of six active and contributing members of the system, three of whom are elected officials and three of whom are not elected officials. Requires that each such member has at least 10 years of creditable service and serve for a term of six years. Proposed law changes the minimum service requirement to 12 years and decreases the term of office to three years.

Present law provides that the commissioner of administration and the state treasurer, or their designees, are members of this board; however, provides that they are nonvoting members. Proposed law provides that the commissioner of administration and the state treasurer, or their designees, serve as voting members of the MERS board.

Present law provides that the trustees shall serve without compensation but are entitled to a per diem and shall be reimbursed for reasonable expenses in performing duties on behalf of the board. Provides that trustees are subject to the Code of Governmental Ethics. Proposed law provides that no trustee shall accept anything of economic value, including food and drink or complementary admission to, lodging at, or reasonable transportation to and from educational or professional development seminars and conferences from a person who has or is seeking to obtain contractual or other business or financial relationship with the board.

Present law imposes powers and duties upon the board of trustees and requires that the system submit an annual financial statement to the legislature. Proposed law requires the board to report, with the system's annual financial statement, an itemized schedule of all amounts paid by the system to or on behalf of the system's board members.

Present law makes the board of trustees the custodian of system funds and provides that expense vouchers shall be certified by the administrative director. Proposed law provides that the board may not authorize the use of system funds to pay for board member attendance at more than one seminar or conference out of state, and that any seminar or conference paid for by the board shall be affiliated with a nationally recognized association related to state retirement systems.

(Amends R.S. 11:1821(B)(1), (2), (6), and (7), (C), and (E) and 1842; Adds R.S. 11:1823(A)(22))

Summary of Amendments Adopted by House

The Committee Amendments Proposed by House Committee on Retirement to the original bill:

1. Reduce the term of office for the six trustees who are active contributing members of the system to three years.
2. Add provisions prohibiting trustees of MERS from accepting anything of economic value from any person seeking to obtain contractual or other business or financial relationships with MERS.
3. Add provisions requiring MERS to include certain disclosures in their annual financial report to the legislature.
4. Provide limitations on use of system funds regarding board member travel.